The SEBs will be entitled for the following support/benefits:

1. Waiver of 60% of the interest/surcharge.
2. Securitisation of the full principal amount and the remaining 40% interest/surcharge with a repayment period spread over 15 years.
3. If the SEBs or their successor entities to not default on their current dues and adhere to the performance milestones, CPSUs shall pay them during the first year starting from 01.10.2001, bi-annual cash incentives equal to 3% of the value of bonds, 2.5% in the second year and 2% in the third and fourth years.
4. If the SEBs open and maintain Letters of Credit before the date to the specified CPSUs shall pay them one-time cash incentive equal to 2% of the value of bonds.
5. State undertaking reforms shall also be assisted through Accelerated Power Development and Reform Programme (APDRP).

Identifying Transmission Circles as Model Circles

†4462. SHRI P.K. MAHESHWARI: Will the Minister of POWER be pleased to state:

(a) whether Government have identified certain transmission circles to convert them as model circles;

(b) if so, the details thereof;

(c) whether it is a fact that these circles are where situation is already in very good condition;

(d) if so, whether need of the hour is to identify areas which are not in good conditions;

(e) if so, what are the reasons for not identifying these areas;

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†Original notice of the question was received in Hindi.

(f) the steps being taken by Government with regard to such areas?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (f) Under Accelerated Power Development and Reforms Programme (APDRP), distribution circles in consultation with the State Government and State Electricity Boards (SEBs) have been identified in a phased manner to improve sub-transmission and distribution system, reduce Transmission & Distribution losses, improve quality of supply of power, reduce outages and interruptions.

The high density networks within 02 the circles that have high T&D losses and that have high revenue generation potential are being targeted for improvement and upgradation of Sub-transmission and distribution system on the basis of Detailed Project Reports (DPR).

The DPRs are technically commercially and financially vetted to ensure that distribution circles become commercially viable and the objective of the programme are achieved.

Meeting of Heads of SEBs

†4463. SHRI P.K. MAHESHWARI: Will the Minister of POWER be pleased to state:

(a) whether he had recently convened a meeting of Heads of SEBs regarding improvements in power distribution;

(b) if so, the details of issues raised in the meting and SEB-wise details of views expressed by heads of SEBs in this regards; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) The meeting was held on 24.4.2002 at New Delhi with chairpersons of SEBs/Utilities, and there was general consensus that Distribution Sector needs to be

†Original notice of the question was received in Hindi.